

Senate File 2129 - Introduced

SENATE FILE 2129
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SF 2006)

A BILL FOR

1 An Act authorizing the establishment of a philanthropy account
2 within an agency fund established by a school corporation.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 298A.13, Code 2014, is amended to read
2 as follows:

3 **298A.13 Trust, permanent, or agency funds.**

4 1. Trust, permanent, or agency funds shall be established
5 by any school corporation to account for gifts it receives to
6 be used for a particular purpose or to account for money and
7 property received and administered by the district as trustee
8 or custodian or in the capacity of an agent. Boards may
9 establish trust, permanent, or agency funds as necessary.

10 2. The board of directors of a school corporation may
11 establish a philanthropy account within an agency fund to
12 account for proceeds of a philanthropic fundraiser approved
13 by the board. To establish a philanthropy account, the
14 board shall establish the public purpose for organizing the
15 fundraiser and shall, by resolution, authorize the fundraiser
16 for the specific philanthropic purpose and for a specific time
17 period. The board shall ensure that all materials relating
18 to the fundraiser clearly identify the philanthropic purpose
19 for which the school corporation will use the excess of the
20 proceeds raised over the costs of the fundraiser. Fundraisers
21 shall not involve professional or commercial fundraisers
22 and shall not include solicitation of grants. The board
23 may establish more than one philanthropy account but shall
24 ensure that each account separately identifies the assets
25 and liabilities related to a separate philanthropic purpose
26 approved by the board. A philanthropy account shall consist
27 only of voluntary donations raised by the students or school
28 corporation employees for a specified philanthropic purpose
29 approved by the board. A school corporation shall provide,
30 upon request and without cost to the requesting party,
31 financial disclosure information concerning contributions
32 received and disbursements for a philanthropy account that is
33 the subject of the request. For purposes of this section,
34 "philanthropic purpose" means an educational, charitable,
35 humane, scientific, public health or welfare, environmental,

1 disaster relief, or other similar objective defined in
2 department of education rules. The philanthropic purposes
3 for which moneys in an account may be used shall be limited
4 to public purposes that are related to a student or students
5 enrolled in the school corporation and their families, to
6 the school corporation, to the community in which the school
7 corporation is located, or to a nonprofit organization operated
8 exclusively for the purposes set forth in section 501(c)(3)
9 of the Internal Revenue Code and that are eligible to receive
10 donations from a school corporation in accordance with this
11 subsection and department of education rules. However, such
12 a nonprofit organization shall not be a political, religious,
13 athletic, postsecondary, or similar organization. The school
14 corporation shall obtain written permission from a nonprofit
15 organization prior to using its name in materials relating to
16 the fundraiser.

17

EXPLANATION

18 The inclusion of this explanation does not constitute agreement with
19 the explanation's substance by the members of the general assembly.

20 This bill authorizes the board of directors of a school
21 corporation to establish a philanthropy account within a school
22 district's agency fund established under Code section 298A.13
23 to account for proceeds of a board-approved philanthropic
24 fundraiser. The board must establish a public purpose for
25 organizing such a fundraiser. Such a fundraiser must carry
26 out a philanthropic purpose. The bill provides procedures and
27 requirements for a board to establish an account. The bill
28 provides limitations on eligible fundraisers and on the types
29 of moneys for which use of an account is permitted.

30 The bill defines "philanthropic purpose" as an educational,
31 charitable, humane, scientific, public health or welfare,
32 environmental, disaster relief, or other similar objective
33 defined in department of education rules. The philanthropic
34 purposes for which moneys in an account may be used shall be
35 limited to public purposes that are related to a student or

1 students enrolled in the school corporation and their families,
2 to the school corporation, to the community in which the
3 school corporation is located, or to a tax-exempt nonprofit
4 organization that is eligible to receive donations from a
5 school corporation in accordance with the bill and department
6 of education rules.